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Item by L. WIERCZYNSKI - the Kennedy Round:

VOICE: "The biggest international trade negotiations of all times" - that is how the world press often described the deliberations of the "Kennedy Round", just ended in Geneva. A fully justified description. For after all, 53 States from different continents participated in these talks, representing together 4/5ths of world trade turnover. And the purpose of this international conference was a further liberalization of world trade through a general, as far-reaching as possible, lowering of Customs' tariffs, and the removal or reduction of other restrictions hindering the development of international trade.

The deliberations of the "Kennedy Round" lasted four years altogether. But the final favorable result of the negotiations was decided by the last days or even hours of talks. The various groups of problems constituting the subject of discussion were very closely connected. A compromise obtained in laborious negotiations in one field was at once in question if, in another field, difficulties threatening failure of the talks in this sector developed. The main partners in the Geneva talks on the question of the liberalization of international trade were the US, and the countries of the EEC, acting in unison. And it was only the final compromise, achieved in the last, culminating phase of negotiations between these two greatest commercial Powers in the world, which made possible the successful conclusion of the deliberations of the "Kennedy Round". An important role was also played by other States, above all G. Britain and Japan, but the dialogue between the US and the countries of the EEC was the main axis of the Geneva negotiations. Here one should perhaps stress this fact with particular force, because it points very clearly to the position which the EEC occupies in the world configuration of economic forces, as an equal partner of the US. And let us remember here that the EEC groups together, for the time being, only six W. European States.

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The great international significance of the agreement reached on the night from Monday to Tuesday in Geneva is obvious. The countries taking part in the deliberation of the "Kennedy Round" decided to carry out a general lowering of Customs' tariffs, on the average by a quarter of their present level. In many instances this reduction goes much further and reaches 50%, which - as we remember - was the initial assumption of the "Kennedy Round" negotiations, when they were initiated by the US Government years ago. And in other instances the present lowering of duties is more modest, in view of the necessity of assuring tariff protection to some branches of home industry. The US and the countries of the EEC here found in the end, among other things, a compromise formula on the question of chemical products, which was a bone of contention almost until the last moment.

Simultaneously, basic steps were taken toward the liberalization of international trade in agricultural products. By way of a compromise the basic world prices of wheat were agreed upon, hence trying to take into account the interests of the great exporters of grain - such as the US, Canada, Argentina, or Australia - on the one hand, and on the other to take into consideration the justified postulates of the traditionally grain-importing countries - such as G. Britain or Japan.

Separate and important stipulations of the final agreement in the "Kennedy Round" concern the question of international food aid for countries delayed in economic development, which are struggling with the tremendous difficulties of feeding their own populations, and the threat of hunger. As we know, this is a particularly urgent problem, which can only be solved by properly co-ordinated efforts on a world scale. The prosperous Western States, having grain surpluses thanks to the high technology of their agriculture, have now decided in Geneva to use these surpluses for food aid to the countries of the so-called "third world". And here also the decisions were made on the basis of a compromise. The US initially proposed that 10 million tons per annum be allocated for this purpose - the EEC countries proposed three million. Finally, it was decided to allocate 4 1/2 million tons of grain a year, now, for food aid to the "third world". More than 40% of this aid would be given by the US, more than 20% by the EEC countries.

The successful conclusion of the Geneva talks on the liberalization of international trade will entail long-term consequences of world scope. In the last decade, a seven per cent annual increase, on the average, has been registered in international trade turnover. The present considerable

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lowering of Customs' duties, agreed upon by several dozen States and applicable to goods to the value of several dozen billion dollars, will create new, powerful stimuli for world trade, will accelerate the tempo of its development. Such are the prognostications of the economic experts. And simultaneously the "Kennedy Round" agreement, by preventing excessive protectionist tendencies of the individual States or economic groupings, will tighten economic bonds and collaboration between the US and Europe. And in this way it will at the same time indirectly strengthen the political unity of the Western world.

And in conclusion, a few words concerning our country. For some time now Poland has been trying to obtain the status of full member of GATT - that is, the world organization within the framework of which the "Kennedy Round" negotiations were held. As far as we know, the Polish efforts are meeting with a positive reception among the other interested countries belonging to GATT. Though the speedy finalization of these efforts lies in the Polish interest, Warsaw has not yet made the final decision. And the GATT authorities are being helpful to Poland. During the protracted "Kennedy Round" negotiations the Polish delegation was given the opportunity of establishing many-sided contacts with the representatives of other countries taking part in this conference. The present successful outcome of the "Kennedy Round" negotiations should finally induce the Polish Government to abandon its hitherto hesitancy, to break with the tactics of postponing decisions on full participation in GATT, which would open up new prospects to Polish foreign trade, contributing at the same time to an improvement in supplies to the population.